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# THE AGRICULTURAL SITUATION.

## A BRIEF SUMMARY OF ECONOMIC CONDITIONS

ISSUED MONTHLY FOR EXTENSION WORKERS AND THE STAFF BY THE BUREAU OF AGRICULTURAL ECONOMICS, U. S. DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

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### A BETTER YEAR EXCEPT IN THE WHEAT BELT

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Another season is now on the home-stretch. The harvest is in full swing, hastened by sharp frosts in the North.

A very significant development of fall is the strengthened demand for cotton and pork. Consumption of cotton in American mills and export movement have both increased, although the South has had to scale down its expectations on new crop. Likewise, demand for pork for export and in our industrial cities and in the South has been so great as to absorb a record run of hogs at better prices than were prophesied. Feeders have bid up a large prospective corn crop to a price that heartens the growers. Much of this season's wheat crop is of low quality and will go for feed.

The wheat situation is still something to be reckoned with. There are different ways of viewing it. From one point of view it is a cold, economic proposition: so much wheat has been produced that the world market is a buyers' market. The producer must readjust his acreage and nothing can be done save to let things work out on that basis.

Then there is another angle - a warmly human angle. What American can travel that thousand miles of plains country from Texas northward, where the stacks of grain stretch away endlessly like giant loaves - and not feel the certainty that here is one of the well-springs of national strength? Indeed, it is not so long since desperate allies overseas counted that same Wheat Belt as one of their vital sinews of war, - not so long since we were begging the men who sweat that grain out of the ground to go the limit and look to the Nation for a guarantee against failure! It took time to get those extra acres into wheat. It takes time to get them out of wheat.

A farm differs from a corporation. One big difference is that every farm is built up directly about a home. There are more than a hundred thousand homes in distress in the wheat country. To them it is the aftermath of war; an aftermath they have not known how to dodge. After all, cold economics may take on many a warm slant when it concerns the national bread-line.

## REGIONS AT A GLANCE

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THE EAST - Late crops shortened up by the prolonged drought and by early frosts. Milk production curtailed likewise. Farmers generally handicapped by feed and labor shortage, but cheered by somewhat higher prices.

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THE SOUTH - Wet weather finally hit the territory west of the River, increasing damage by insects and lowering grade of cotton that had opened. Cotton picking now well along. South disappointed at crop but optimistic over price outlook. Trade generally placing yield around  $10\frac{1}{2}$  million bales.

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CORN BELT - Hurt in many sections by sharp frosts last month. Corn harvest getting under way and generally a good crop. Fall grain sown. Feeders inclined to be encouraged by heavy domestic and export demand for pork. Corn Belt probably in best shape since 1919.

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WHEAT BELT - Still very pessimistic. Spring wheat country urging Government aid. The crop is now mostly threshed. Much low grade wheat; considerable is already being fed. The new sowing of winter wheat is in ground; already up in southern territory. General talk is smaller acreage sown than last year but definite estimates are still lacking.

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RANGE COUNTRY - Range good except in localities in the North. Stock coming down from the high ranges. Cattle and sheep generally in good condition. Situation of cattle men still difficult. Sheep raisers generally looking forward to another favorable year.

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PACIFIC COAST - Prune crop dried and raisin grapes mostly picked. Citrus fruits in good shape; oranges sizing well. Complaints of too hot weather in Washington for apples. North threshed out big wheat crop. Coast conditions continue relatively good.

# CROP PRODUCTION

The following shows production of important crops in 1913, five-year average, last year, and estimates for this year. Compiled by Division of Crop and Live-Stock Estimates, B. A. E.

Figures given to nearest million, six ciphers omitted.

<u>Crop</u>	<u>1913 Production</u>	<u>1917-1921 Average</u>	<u>1922 Production</u>	<u>1923 Aug. Estimate</u>	<u>1923 Sept. Estimate</u>
Wheat, bu.					
Winter	523	590	586	568	---
Spring	240	245	276	225	221
All	763	835	862	793	---
Corn, bu.	2,447	2,931	2,891	2,982	3,076
Oats, bu.	1,122	1,378	1,201	1,316	1,312
Barley, bu.	178	192	186	202	199
Rye, bu.	41	70	95	65	--
Cotton, bales	14.1	11.2	9.76	11.5	10.8
Potatoes, bu.	332	388	451	380	390
Hay, all, tons	64	99	113	97	98
Apples, bu.	145	160	201	188	190
Peaches, bu.	40	43	57	47	45
Flax, bu.	18	10	12	19	19
Beans, bu.	--	13	12	15	15
Tobacco, lbs.	954	1,361	1,325	1,474	1,551
Grain sorghums, bu.	---	103	90	113	101

August showed deterioration in cotton and sorghums, but some improvement in corn, tobacco and potatoes. Composite condition of all crops on September 1 was slightly (1.7%) below ten-year average. Total acreage this year about 0.6% more than last year.



AVERAGE PRICES, AT THE FARM, OF REPRESENTATIVE PRODUCTS  
Month Ending September 1, 1923.

Actual prices received at the farm by producers. Average of reports covering the United States, weighted according to relative importance of county and State. Figures compiled by Division of Crop and Live-Stock Estimates of this Bureau. Quotations in dollars or cents.

Shows 1913, year ago, and latest available month.

	<u>Aug.</u> <u>1913</u>	<u>Aug.</u> <u>1922</u>	<u>July</u> <u>1923</u>	<u>Aug.</u> <u>1923</u>
Cotton, per lb.	¢ 11.8	21.1	23.5	24.1
Corn, per bu.	¢ 75.4	62.7	87.4	86.6
Wheat, per bu.	¢ 77.1	88.1	84.2	88.7
Hay, per ton	\$ 11.04	10.58	11.87	12.08
Potatoes, per bu.	¢ 75.3	88.0	122.7	119.0
Oats, per bu.	¢ 39.3	32.2	37.8	37.3
Apples, per bu.	¢ 75.8	109.8	131.2	111.4
Beef cattle, per 100 lbs.	\$ 5.91	5.51	5.72	5.60
Hogs, per 100 lbs.	\$ 7.79	8.54	6.68	6.85
Eggs, per dozen	¢ 19.5	22.7	22.9	26.5
Butter, per lb.	¢ 25.9	33.5	36.8	39.1
Wool, per lb.	¢ 15.8	31.6	38.3	37.0
Veal calves, per 100 lbs.	\$ 7.53	7.67	8.00	8.00
Lambs, per 100 lbs.	\$ 5.50	9.39	10.60	9.96

Significant upward trend in cotton and wheat prices.

Seasonal advances in hogs, eggs and butter. Declines in apples and potatoes.

Considered as broad groups, there was practically no price change in either crops or livestock during the month.

PRICE INDEXES FOR MONTH ENDING SEPTEMBER 1

1913 = 100

Farm products figures from this Bureau; commodity groups from Bureau of Labor Statistics. Shows year ago, and latest available months:

Farm Products  
(Prices at the farm)

	<u>Aug.</u> <u>1922</u>	<u>July</u> <u>1923</u>	<u>Aug.</u> <u>1923</u>	<u>Month</u> <u>Trend</u>
Cotton	170	190	194 - -	Higher
Corn	106	147	146 - -	About same
Wheat	112	107	113 - -	Higher
Hay	96	108	110 - -	Higher
Potatoes	137	191	185 - -	Lower
Beef cattle	93	97	95 - -	Lower
Hogs	114	89	92 - -	Higher
Eggs	118	119	137 - -	Higher
Butter	124	136	145 - -	Higher
Wool	189	229	221 - -	Lower

Commodity Groups  
(Wholesale Prices)

	<u>Aug.</u> <u>1922</u>	<u>July</u> <u>1923</u>	<u>Aug.</u> <u>1923</u>	<u>Month</u> <u>Trend</u>
Farm products	131	135	139 - -	Higher
Food, etc.	138	141	142 - -	Higher
Cloths & clothing	181	193	193 - -	Same
Fuel & lighting	271	183	178 - -	Lower
Metal & met. products	126	145	145 - -	Same
Bldg. materials	172	190	186 - -	Lower
Chemicals, etc.	122	128	127 - -	Lower
House-furnishing goods	173	187	183 - -	Lower
<u>ALL COMMODITIES</u>	155	151	150 - -	<u>LOWER</u>

# RELATIVE PURCHASING POWER

(At August 1923 Farm Prices)

1913 = 100.

Of a Unit of:

<u>In terms of:</u>	<u>Cotton</u>	<u>Corn</u>	<u>Wheat</u>	<u>Hay</u>	<u>Potatoes</u>
All commodities	129	97	75	73	123
Cloths, etc.	100	76	59	57	96
Fuel, etc.	109	82	63	62	104
Metals, etc.	134	101	78	76	128
Bldg. materials	104	79	61	59	100
House-furnishing goods	106	80	62	60	101

	<u>Beef cattle</u>	<u>Swine</u>	<u>Eggs</u>	<u>Butter</u>	<u>Wool</u>
All commodities	63	61	91	97	147
Cloths, etc.	49	48	71	75	114
Fuel, etc.	53	52	77	81	124
Metals, etc.	65	63	95	100	153
Bldg. materials	51	49	74	78	119
House-furnishing goods	52	50	75	79	121

The indicated purchasing power of cotton and wheat moved up somewhat during August. Other crops remained without much change.

The livestock group was helped a very little by improvement in the position of hogs, eggs and butter.

Farm products as a whole acquired a slightly higher indicated purchasing power during the month by reason of slightly lowered prices of non-agricultural commodities.



## SUMMARY OF PRICE INDEX NUMBERS

1913 = 100

In the following, farm price indexes are compiled by this Bureau; wholesale prices are the Department of Labor indexes. Purchasing power represents relationship between prices, at the farm, of farm products and wholesale prices of non-agricultural products, unit quantities being considered in each case.

Year and month	Farm Price Crops 15th of month	Farm Price Livestock 15th of month	Farm Price Crops and Livestock Combined	Wholesale price All Commodities	Wholesale price of Non-Agrl. Commodities*	Purchasing Power of Farm Products#
1913	100	100	100	100	100	100
1914	108	103	106	98	94	112
1915	110	95	102	101	97	106
1916	134	111	118	127	132	89
1917	208	164	186	177	176	106
1918	224	193	208	194	186	112
1919	234	193	216	206	195	111
1920	238	168	203	226	234	86
1921	109	107	108	147	161	67
1922	113	111	112	149	163	69
<u>1922</u>						
January	98	95	96	138	150	65
February	105	108	106	141	149	71
March	112	117	114	142	150	76
April	115	115	115	143	153	75
May	118	118	118	148	161	73
June	119	119	119	150	164	72
July	118	119	118	155	172	69
August	114	112	113	155	176	64
September	110	109	110	153	170	64
October	110	110	110	154	169	65
November	118	105	112	156	169	66
December	123	104	114	156	168	68
<u>1923</u>						
January	126	106	116	156	170	68
February	130	107	118	157	172	69
March	134	106	120	159	175	69
April	139	107	123	159	176	70
May	140	105	123	158	172	71
June	139	100	120	153	168	71
July	136	102	119	151	165	72
August	136	102	119	150	163	73

\* "All commodities", excluding farm products and food.

# Expressed in terms of other products.

# THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets. Compiled by this Bureau. All figures given to nearest thousand, that is, three ciphers omitted:

Month	WHEAT		CORN		HOGS		CATTLE		SHEEP		BUTTER	
	Receipts		Receipts		Receipts		Receipts		Receipts		Receipts	
	Th.	Bu.	Th.	Bu.	Thousands		Thousands		Thousands		Th.	lbs.
1921 Total	435,606		340,908		41,040		19,764		24,168		569,340	
1922 Jan.	18,372		52,097		4,278		1,628		1,835		41,697	
" Feb.	21,151		58,350		3,612		1,416		1,399		38,894	
" Mar.	19,729		31,035		3,411		1,622		1,465		44,919	
" Apr.	15,536		14,552		3,067		1,470		1,227		42,694	
" May	29,015		27,083		3,737		1,878		1,692		68,893	
" June	19,753		31,157		3,776		1,759		1,700		93,139	
" July	42,128		25,975		2,980		1,709		1,677		92,829	
" Aug.	59,649		24,380		3,037		2,149		1,951		62,494	
" Sept.	56,992		35,296		3,062		2,373		2,303		46,419	
" Oct.	49,124		32,477		3,682		2,936		3,311		41,351	
" Nov.	41,510		23,925		4,421		2,427		2,288		38,678	
" Dec.	46,002		37,466		5,004		1,825		1,516		38,475	
" Total	418,961		393,773		44,067		23,192		22,364		650,482	
1923 Jan.	38,002		38,371		5,306		1,876		1,636		48,697	
" Feb.	20,176		30,518		4,492		1,427		1,566		39,877	
" Mar.	22,081		24,710		4,926		1,502		1,430		49,881	
" Apr.	21,785		16,836		4,318		1,670		1,447		48,881	
" May	17,457		10,840		4,524		1,900		1,794		55,459	
" June	18,217		14,610		4,209		1,636		1,452		76,403	
" July	36,435		18,515		4,181		1,903		1,661		64,084	
" Aug.	63,012		25,845		3,714		2,214		1,800		57,393	

August brought more corn to market than previous month and more wheat even than a year ago.

The run of hogs to market continued materially above last year.

Butter receipts lower.

# THE TREND OF EXPORT MOVEMENT

Compiled from Commerce reports by Division of Statistical Research of this Bureau.

Month	WHEAT including flour 1,000 Bushels	TOBACCO 1,000 Pounds	BACON, HAMS AND SHOULDERS 1,000 Pounds	LARD 1,000 Pounds	TOTAL* MEATS 1,000 Pounds	COTTON running bales 1,000 Bales
1922 January	15,010	32,265	48,120	73,194	55,777	459
" February	10,992	25,845	66,003	75,520	62,647	326
" March	14,374	32,966	54,763	64,377	62,231	452
" April	10,449	40,189	43,284	42,459	48,828	602
" May	14,267	39,844	44,053	50,817	50,196	457
" June	18,200	30,323	55,621	57,249	64,124	478
" July	19,124	32,318	59,252	66,058	67,886	365
" August	38,964	28,957	51,353	68,907	60,443	269
" September	31,839	33,101	51,040	61,120	60,863	366
" October	25,077	58,353	50,940	66,333	60,651	798
" November	17,578	39,786	51,407	62,321	63,357	855
" December	16,428	36,954	65,642	78,596	76,951	606
1923 January	12,519	41,651	74,432	107,786	86,938	470
" February	12,197	25,978	64,488	89,055	75,023	360
" March	10,725	31,640	66,441	109,187	75,933	318
" April	10,195	40,185	68,528	85,475	77,963	260
" May	14,396	28,420	64,608	93,199	72,607	160
" June	12,881	49,730	68,480	64,605	68,823	215
" July	12,822	46,866	64,264	69,478	74,165	171
" Aug.	19,929	34,154	69,194	83,758	80,122	244
8 mos. Jan.-Aug. 1922	141,380	262,607	422,454	498,581	472,132	3,418
Same period 1923	105,664	298,624	540,435	702,543	611,581	2,198

The significant thing about the export trade is the continued heavy movement of pork and lard and the continued light movement of wheat.

Export demand for cotton showed considerable improvement in August.

\* Includes fresh, canned and pickled beef, bacon, hams and shoulders, fresh, canned, and pickled pork, mutton and lamb.



THE COLD STORAGE SITUATION

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Sept. 1 holdings (Figures given show nearest million)

<u>Commodity</u>	<u>5 Year Average</u>	<u>Sept. 1, 1922</u>	<u>Aug. 1, 1923</u>	<u>Sept. 1, 1923</u>
Creamery butter, lbs.	110	112	102	103
American cheese, lbs.	59	54	56	63
Case eggs, cases	7.4	9.6	10.5	9.9
Total poultry, lbs.	25	28	41	34
Total beef, lbs.	124	48	46	47
Total pork, lbs.	708	620	866	752
Lard, lbs.	127	120	143	116
Lamb & mutton, lbs.	6.4	3.3	2.7	2.0
Total meats, lbs.	916	727	983	867

Storage holdings of beef are considerably below average.

Eggs and poultry holdings are above average.

Aside from poultry lines, the storage situation reflects the fact that farm products are moving forward into consumption with normal rapidity. In other words, current demand is strong and there is no surplus to pile up.



GENERAL BUSINESS INDICATORS  
RELATED TO AGRICULTURE

	1922 Aug.	1923 July	1923 Aug.	Month's Trend
<u>Production</u>				
Pig iron (Thou. tons)	1,816	3,680	3,435	Decrease
Bituminous coal (Millions tons)	22	45	49	Increase
Cement (Millions barrels)	12	13	13	Same
Automobiles shipped (Thou. carloads)	33	32	38	Increase
<u>Consumption</u>				
Cotton by mills (Thou. bales)	526	462	492	Increase
Unfilled orders Steel Corp. (Thou. T.)	5,950	5,911	5,415	Decrease
Building contracts (Millions dollars)	---	274	---	---
Hogs slaughtered (Thousands)	1,976	2,652	2,283	Decrease
Cattle "	1,106	1,104	1,168	Increase
Sheep "	1,021	936	903	Decrease
<u>Movements</u>				
Bank clearings (N.Y.) (Billions dollars)	17	17	15	Decrease
Car loadings (Weekly.av., Thousands)	873	990	1,040	Increase
Mail order sales (Thou. dollars)	17,709	22,453	22,334	Decrease
Men employed, 1428 firms (Thousands)	1,728	2,041	2,032	Fewer
Interest rate, Coml. Paper (60-90D)	3.93	4.95	5.08	Decline
Loans and discounts, F.R.M. banks (Billions dollars)	11	12	12	Same
Retail Food Price Index (Dept. Labor)	139	147	146	Decrease
Wholesale Price Index (Dept. Labor)	155	151	150	Decrease
Av. price 25 industrial stocks (dollars)	104	103	103	Same

There has been some slight slow-up in business, but nothing sufficient to affect the agricultural situation.

In fact, the consumption of cotton, meats and dairy products is on the increase in late weeks.

If one wishes to "count all the straws", he may take note of slightly higher interest rates, smaller bank clearings, slight decline in employment, and recent heaviness in the securities markets. But taken by and large, the outlook is still good.

## THE HOG MARKETING SITUATION

C. E. Gibbons, Division of Livestock Marketing, B. A. E.

Hogs continue to arrive at public stock yards in record breaking numbers. Receipts during the first eight months of this year increased 7,768,000 head or 27.8% over those of a year ago. During the first three weeks in September receipts at 12 important markets showed an increase of 38% over the corresponding period in 1922. Every month since last February has established a new record for hog receipts for that month.

Average weights have followed a rather confusing course. For the United States as a whole average live weights of hogs slaughtered during the first four months of 1923 showed substantial increases over those a year earlier. In May, however, there was a decline and the same thing has been true ever since. The decrease in average weights, however, has not been uniform for all sections of the country. For several weeks past Chicago and Omaha have shown marked decreases in the average weight of hogs marketed at those points compared with a year ago, whereas Kansas City and St. Louis on the southern edge of the Corn Belt and St. Paul on the northern border have shown consistent increases in average weights.

It has been suggested that this apparent variation in swine husbandry between the heart of the Corn Belt and the regions to the north and south of it consists chiefly in a marked increase in the quantities of wheat being fed to hogs in the wheat growing regions and a marked tendency on the part of strictly Corn Belt feeders to stint on corn rations. The fact that pastures and forage crops of all sorts have been excellent this year has also undoubtedly had much to do with raising the average weight of hogs in those areas where such crops are largely relied upon for swine production.

Prices quite naturally have made some response to the overwhelming numbers of hogs being marketed. The market reached the low point to date around the middle of June when the top at Chicago was \$6.75. An exceptionally heavy demand both from domestic and foreign consumers, however, was responsible for prices turning sharply upward before the end of that month. By September 4 prices had advanced approximately \$3 per hundred, the Chicago top on that day being \$9.75. Since then, however, the market has turned rather sharply downward and on September 27 the top was \$8.30, a decline of \$1.45 per hundred pounds in about three weeks. The top on the corresponding day in 1922 was \$10.60 showing a net decline for the year of \$2.30 or 21.7%. Although top prices are now \$1.40 under the high point of the year they are still \$1.55 over the June low. How low they are destined to go during the next few months is problematical. Ordinarily the market reaches the lowest point in December or January when receipts are usually heaviest. Furthermore, the general long-time trend of the market seems to be downward. March 9, 1922 marked the culmination of an upward movement in hogs in which prices advanced approximately \$4.25 in less than three months. Since then the general trend has been downward, each low point dipping a little under the one preceding.

Domestic consumption of Federally inspected pork alone showed an average per capita increase of one pound per month during the first seven months of 1923. Exports also showed remarkable increases over those of a year earlier. We appear to be in a period of tremendously increased movements of all sorts.



## NOTES FROM THE EAST

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For three years the main difficulty has rested in low prices. But this year the price situation is relatively better and the problem has been particularly one of production. Business and employment conditions have been excellent throughout the urban community. Full employment and high wages have stimulated demand and consequently prices for certain of the leading products of eastern farms.

Indications are that heavy urban demand is assured for the rest of this fall at least. This is a most fortunate event. If urban stagnation had coincided with the present difficult crop season, there would be more bankrupt eastern farmers than at present.

### Crops

The problem this year has more or less shifted to production. The season has been a diabolical combination of drought, labor trouble and early frosts. Many good dairymen who put in silage corn on good land, manured and fertilized it, and gave it the best of tillage, nevertheless saw it stand still all summer from lack of rain and killed by frosts the middle of September, still too short to cut with a corn binder.

Potatoes suffered a somewhat similar fate in many localities. Such potatoes as the writer saw dug were of good quality but small and few to the hill. Cabbage did very poorly in New York because of drought. Buckwheat was very light, the straw short, considerable "false" grain in the heads, and the crop was mostly killed by early frost. Apples are a fairly good crop in some localities but generally much below last year. Hay was a good crop.

### Dairying

The dairy industry has found its higher milk prices offset by higher production costs. Men began feeding expensive grain and green feed as far back as early August, the pastures over wide areas being dried up. The flow of milk shrank considerably and cows are going into winter in poor flesh. The latter is also especially true of young stock. One Jersey cattle breeder facetiously remarked that "This country is so dry that even the strippers are giving two-and-three-quarters per cent milk".

Well-informed men seem to think that such shortening of the milk supply as has occurred is a result of seasonal conditions rather than decrease in the numbers of dairy cattle. This fact, if it is a fact, will have some bearing on the dairy situation three or four months hence, and even more a year hence.

Milk producers can hardly hope for better urban demand than they now enjoy. This throws more than a usual burden of decision upon the supply side. Higher-priced milk is bound to stir one's ambitions a bit, in spite of higher grain, higher cows, or half-filled silo. But what to some men is a signal to take on some extra fall cows, is to others a signal to start raising some heifer calves.

Meanwhile demand fluctuates in its own sweet way. Of milk in a bottle, there is no unit between a pint and a quart. When the city housewife who is taking a quart of milk daily decides to use less, she must cut off at least a pint. Demand in such case is cut exactly in half. A factory village using 200 quarts of milk daily has been known to reduce its consumption to 125 quarts within a month after the factory had temporarily put on a short shift and cut wages.

#### Some General Items

For one thing, help has been very scarce and day labor has commanded high wages. Farmers have generally reverted to the old-fashioned system of "exchanging work", that is, helping each other, job for job or day for day. In such fashion and with help from the women and children the summer's work has been done. Families thus get by with less cash outlay but at prodigal cost in terms of their own labor. One man who required thirteen men to do his thrashing "changed work" with twelve neighbors, being able to hire only a single hand. In repayment it was, of course, necessary for him to attend twelve other thrashings. It thus took about three weeks of his time working away from home in order to get his own thrashing done. This case, varying only in degree, has been duplicated in hundreds of instances. It has been the common thing this summer.

This shortage of labor has borne down upon farmers with a sort of dull discouragement. It is difficult to appreciate the feeling of impotence, of unequal struggle, that possesses a man who must plod away, by himself, at the heavy work of haying and harvest.

There are more empty farmhouses even than last year. Still stronger evidence appears in the occasional farm to be seen on back roads where no part of the land has been worked nor pastured this year. These things tell the tale of farm population gone. Presumably few of these idle places are actually abandoned for good. People will move back on them when the tide of prosperity again shifts. But meanwhile they are monuments to the economic disparity between labor on the land and labor in the factories.

Some revival of the movement of western farmers eastward is again apparent. Newcomers from the Central West are being pointed out in certain sections of New York and New England. This represents some reflex from Corn Belt depression of two years and more ago. It is an interesting evidence of the even-



evening-up process which constantly works to maintain equilibrium over the country. Time was when men who sought new opportunity in the shape of cheaper land set their faces away from the East.

Farm people generally over the East feel a sense of handicap in their trading for manufactured products. No more pains-taking economy was ever visible in any year. Of course men are buying absolute necessities both for their farms and families. But such talk as of farmers buying automobiles, for instance, needs to be discounted. The writer has lately inquired about a half-dozen new automobiles seen on different farms. Four of them proved to be the property of young fellows who worked for day wages. One belonged to a daughter who teaches school. Only one out of the six was the purchase of an actual farmer. Every car but the school teacher's was bought on the partial payment plan.

There is seemingly little actual cash in the country. Ready money is scarce. A doctor with wide country practice remarked that in the last five years it has grown harder every year to collect his bills, and that farmers who are men of considerable property are nevertheless bringing him meat and produce in lieu of cash. They are the type who pay debts but ready money is not available.

An example of the relatively high prices of industrial products - a case with far-reaching effects - is to be seen in building materials. This is partly transitory and partly a permanent change. Farm buildings have slowly but surely gone backward in the East during the last ten years. Many barns burned this summer, as happens especially in a dry year. A certain percentage of these barns can not be replaced. Where they are replaced it is usually with smaller and poorer barns. The bulk of farm buildings now in use were built from the virgin timber that grew right on the premises or in the near neighborhood. That timber is gone - gone forever. A new barn nowadays means a contract with highly-paid carpenters and it means materials shipped the length of the country. The cost of a new barn now to make an average replacement is frequently more than the entire farm will sell for. As things stand the East does not and can not maintain its farm buildings. There needs to be some readjustment of insurance valuations, particularly on barns.

Transportation is going through a period of change. Motor trucks have taken over a considerable part of short-haul traffic, incidentally with material loss to the local, branch-line railroads. One effect of the spread of trucks has been to widen the marketing zone for "perishables". Milk is now very commonly collected from a given neighborhood and hauled to shipping station by a single truck. This has brought into the ranks of milk shippers numerous small farmers, and potentially many more, three or four miles from the railroad who used to make butter rather than hitch up and drive the long trip to station every morning with milk. It is now a common sight in any town to see a truckload

of seasonable fruits or vegetables being disposed of, and the truck may have come fifty miles or more. The grower of perishables who owns a truck now commands markets over ten times the area of other days.

The program of road-building is amazing. New roads or surfaces and new bridges are going in everywhere. The highway work has attracted no small part of the floating rural labor supply. It makes one pause and reflect to see substantial farmers drop their farm work and go to work for wages on the highways, saying that they can make more money at the latter. That is an occurrence frequent enough this summer to be noteworthy.

The country community is, generally speaking, embarked on a considerable program of public improvements. Besides roads and bridges, new schools, court houses, and institutions are going up everywhere. As individuals, people are all complaining about taxes. As communities, they are voting more public expenditure with every sunrise.

In fact, one gets the impression in the East that while these times have not been good times for the individual farmers, nevertheless the community has been making steady progress. Men are forced to rigid economy on their own farms; but they travel over better roads, send their children to better schools, have better public buildings to use, live in closer touch with affairs, get better medical assistance, take better care of the orphans and aged, than in pre-war days. Physical equipment on the farms is scarcely being maintained. Physical equipment belonging to the community has been notably improved.

In general, it is inaccurate to paint too glowing a picture of conditions in the East as yet. On the other hand, prices have strengthened and farmers are undoubtedly in better frame of mind than a year or two years ago. The general undertone is one of improvement. It is significant that thoughtful men - the community leaders - are now genuinely optimistic.

A. B. G.